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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

PACIFIC GAS AND ELECTRIC COMPANY,

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

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Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**DEBTORS' OMNIBUS RESPONSE
TO MOTIONS TO ENLARGE TIME
TO FILE RESCISSION OR
DAMAGE CLAIM PROOF OF
CLAIM FORMS**

Relates to Dkt. No. 6888, 6898-6900

[No Hearing Date Noticed]

PG&E Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as debtors and debtors in possession (collectively, the “**Debtors**”) in the above-captioned cases (the “**Chapter 11 Cases**”), respectfully submit this omnibus response (the “**Response**”) to the motions filed on April 22 and April 23, 2020 [Dkt. Nos. 6888, 6898-6900] (the “**Motions**”, and the individuals that filed the Motions, collectively, the “**Movants**”), seeking to enlarge or extend the time for each Movant to file Rescission or Damage Claim Proof of Claim Forms.¹ Contemporaneous with this Response, the Debtors submit the Declaration of Christina F. Pullo (the “**Pullo Declaration**”), dated April 24, 2020.

RESPONSE

1. On February 27, 2020, the Court issued the Order (i) Denying Securities Lead Plaintiffs’ Motion to Apply Bankruptcy Rule 7023 to Class Proof of Claim and (ii) Extending Bar Date for Certain Holders of Securities Claims for Rescission or Damages [Dkt. No. 5943] (the “**Order**”). A copy of the Order is annexed hereto as **Exhibit A**. The Debtors submit this Response to confirm to the Court that they have strictly complied with the terms of the Order, and to address how they intend to resolve the Motions and any similar motions that may be filed by individuals or other similarly situated claimants.

2. Pursuant to Paragraph 2 of the Order, the Court extended the Original Bar Date to Midnight on April 16, 2020 (Prevailing Pacific Time) (the “**Extended Securities Claims Bar Date**”) solely with respect to those persons or entities that purchased or acquired certain of the Debtors’ publicly traded debt and/or equity securities (the “**Debt or Equity Securities**”) during the period from April 29, 2015 through November 15, 2018 (the “**Putative Class Period**”), to allow those persons to individually make a determination whether to file certain rescission or damages claims against the Debtors.

3. In strict compliance with Paragraph 5 of the Order, on March 2, 2020, Prime Clerk LLC (“**Prime Clerk**”), on behalf of the Debtors, mailed (i) a Rescission or Damage Claim Proof

¹ Capitalized terms not defined herein shall have the meanings ascribed to them in the Order (as defined below).

1 of Claim Form, and (ii) the Rescission or Damage Claim Bar Date Notice (collectively, the
2 “**Rescission or Damage Claim Bar Date Materials**”) to the 75,089 parties identified by EQ
3 Shareowner Services as registered holders of the Equity Securities during the Putative Class
4 Period. *See Certificate of Service*, dated March 6, 2020 [Dkt. No. 6177] (the “**Certificate of**
5 **Service**”), ¶ 2; Pullo Decl. ¶ 3.

6 4. In addition, also in strict compliance with Paragraph 6 of the Order, on February 28,
7 2020, Prime Clerk, on behalf of the Debtors, served the Rescission or Damage Claim Bar Date
8 Materials on approximately 795 banks, brokers, and financial institutions (or their agents)
9 (collectively, the “**Nominees**”)² that might have purchased the Debt or Equity Securities in “street
10 name” on behalf of the underlying beneficial owners of those Debt or Equity Securities during the
11 Putative Class Period. *See Certificate of Service* ¶ 3; Pullo Decl. ¶ 4.

12 5. Pursuant to Paragraph 6(a) of the Order, the Nominees were required, within seven
13 (7) calendar days of receipt from Prime Clerk of the Rescission or Damage Claim Bar Date
14 Materials, either to (i) request from Prime Clerk sufficient copies of the Rescission or Damage
15 Claim Bar Date Materials for the Nominees to forward to their beneficial owners and, within
16 seven (7) calendar days of receipt by the Nominees from Prime Clerk of those copies, forward
17 those copies to all their beneficial holders; or (ii) provide to Prime Clerk a list of the names and
18 addresses of all their beneficial owners, in which case Prime Clerk was required to send the
19 Rescission or Damage Claim Bar Date Materials promptly to such identified beneficial owners.

20 6. In addition to the Rescission or Damage Claim Bar Date Notice, which has a
21 specific section addressed to Nominees regarding the applicable noticing requirements and
22 deadlines, Prime Clerk also included in its February 28, 2020 mailing of the Rescission or
23 Damage Bar Date Materials to the Nominees a cover letter that restated the detailed instructions
24 regarding these Court-ordered requirements and deadlines. *See Pullo Decl.* ¶ 5. A copy of this
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26 ² These approximately 795 Nominees were served at approximately 1,095 different addresses. In
27 addition, included in the list of Nominees are the clearinghouses through which the Nominees
28 hold securities, such as The Depository Trust Company, Euroclear, and Clearstream (among
others).

1 letter is attached as Exhibit 1 to the Pullo Declaration. The letter included language directly
2 restating the Court's instructions and deadlines as follows:

3 The Court has directed nominees to comply with the following: **WITHIN SEVEN**
4 **(7) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE, YOU MUST**
5 **EITHER:** (a) provide to Prime Clerk the name and last known address of each
6 person or entity for whom or which you purchased or acquired the securities; or (b)
7 request additional copies of this Notice and the Rescission or Damage Claim Proof
of Claim Form from Prime Clerk, which will be provided to you free of charge, and
WITHIN SEVEN (7) CALENDAR DAYS of receipt, mail the Notice and Claim
Form directly to all the beneficial owners of those securities.

8 7. During the period beginning February 28, 2020 and ending on April 2, 2020, Prime
9 Clerk received requests from Nominees to send approximately 160,000 printed copies of the
10 Rescission or Damage Claim Bar Date Materials, either to various beneficial owners identified by
11 such Nominees, or directly to the Nominees for the Nominees to distribute to their beneficial
12 owners. *See* Pullo Decl. ¶ 6. These mailings to Nominees and beneficial owners, as applicable,
13 were completed by Prime Clerk typically within two to five days of receiving the required
14 information from the respective Nominee, and Prime Clerk in no instance took longer than one
15 week to complete any such mailing. *See id.* Accordingly, the Debtors, through Prime Clerk, have
16 fully and timely complied with the Order.

17 8. Between the dates of April 3, 2020 and April 15, 2020, long after the Order's
18 required seven-day period, Prime Clerk received requests from three (3) additional Nominees (the
19 "**Late Nominees**") requesting mailings of approximately 110,000 additional printed copies of the
20 Rescission or Damage Claim Bar Date Materials, either directly to their beneficial holders or to
21 the Late Nominee, as designated by the Late Nominee. *See* Pullo Decl. ¶ 7. Prime Clerk
22 promptly completed each of the Late Nominees' requested mailings. *See id.* However, given the
23 timing of the requests by the Late Nominees, it is likely that certain beneficial holders who
24 purchased their Debt or Equity Securities through the Late Nominees did not receive the
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1 Rescission or Damage Claim Bar Date Materials until just before or shortly after the Extended
2 Securities Claims Bar Date.³

3 9. Prime Clerk, at the Debtors' direction, has accepted for processing and is continuing
4 to accept for processing Rescission or Damage Claim Proof of Claim Forms notwithstanding the
5 passage of the Extended Securities Claims Bar Date, and individuals who have contacted Prime
6 Clerk or the Debtors have been advised that they may still file Rescission or Damage Claim Proof
7 of Claim Forms, but that the Debtors reserve their rights with respect thereto. *See* Pullo Decl. ¶ 8.

8 10. The Debtors are willing to waive any objection to the Movants' Rescission or
9 Damage Claims that are the subject of the Motions solely on the basis that the Movants' respective
10 claims were not timely filed, and reserve their rights with respect to any other objections or
11 otherwise with respect to such claims.

12 11. The Debtors, however, are concerned that the foregoing not be a precedent, or
13 deemed to be a precedent, with respect to any other Rescission or Damage Claims, and that they
14 may be faced with an onslaught of parties seeking similar relief. This would do violence to the
15 intent and purpose of the Extended Securities Claims Bar Date and potentially adversely impact
16 the administration of these Chapter 11 Cases.

17 12. In view of the foregoing, the Debtors suggest that, as stated above, with respect to
18 Movants' Rescission or Damage Claims that are the subject of the Motions, the Debtors will
19 waive their right to object to those claims solely on the basis of timeliness, provided that such
20 claims, to the extent they have not been filed, be filed within three (3) business days after the entry
21 by this Court of an order resolving the Motions. With respect to any party seeking similar relief,
22 the Debtors believe that such requests should be addressed on a case-by-case basis. If the Court
23 agrees with this approach, the Debtors will submit a proposed order reflecting the same.

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27 ³ The Debtors have not directed Prime Clerk to mail copies of the Rescission or Damage Claim
28 Bar Date Materials in response to any requests received from Nominees on or after April 16, 2020,
the Extended Securities Claims Bar Date.

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Dated: April 24, 2020

WEIL, GOTSHAL & MANGES LLP
KELLER BENVENUTTI KIM LLP

By: /s/ Stephen Karotkin
Stephen Karotkin

Attorneys for Debtors and Debtors in Possession